

# **COLLECTIVE BARGAINING AGREEMENT**

**Between**

**RAYTHEON TECHNICAL SERVICES COMPANY, LLC**

**And**

**INTERNATIONAL ASSOCIATION OF MACHINISTS  
AND AEROSPACE WORKERS**

**Local Lodge No. 850**

**And**

**District Lodge 171**

**August 26, 2005 - August 25, 2007**

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## AGREEMENT

THIS AGREEMENT entered into at Mike Monroney Aeronautical Center, Oklahoma City, Oklahoma, effective August 29, 2005, by and between RAYTHEON TECHNICAL SERVICES COMPANY, LLC (hereinafter referred to collectively and separately as the "Company") and the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO, and its LOCAL LODGE NO. 850 (herein collectively "Union") as representative for the purpose of collective bargaining of the employees hereinafter defined. Said parties agree as follows:

The purpose of this agreement is to provide orderly collective bargaining relations between the Company and the Union, to secure a prompt and fair disposition of grievances and to stabilize employment relations for the duration of this agreement.

The term "employee" or "employees" as used in this agreement (except where the context clearly indicates otherwise) shall mean an employee or employees of the Company within the bargaining unit described in the Recognition Article, and this agreement shall apply only to such employees.

This agreement can be changed or modified only by a document in writing signed on behalf of both parties hereto by their duly authorized representatives; provided, however, that written agreements regarding particular matters or understandings may be made between the Company and the Union and shall be binding upon the employee or employees concerned, the Company and the Union.

Should any part hereof or any provisions herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or a decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and they shall remain in full force and effect.

This agreement shall be binding upon the Company, its corporate successors and assigns.

## ARTICLE 1 RECOGNITION

1.1 The Company recognizes Local Lodge 850 and District Lodge 171 International Association of Machinists and Aerospace Workers, AFL-CIO, as the exclusive bargaining representative with respect to rates of pay, wages, hours of employment and other conditions of employment for all employees of the Raytheon Technical Services Company, LLC located at the Mike Monroney Aeronautical Center Oklahoma City, Oklahoma in the bargaining unit described in the certification issued by the National Labor Relation Board:

Ⓢ Case 17-RC-12352

1.2 The term "temporary employees" is limited to employees hired for a period not to exceed 90 calendar days.

1.3 The term "part-time employees" as used in this Agreement means employees who are regularly scheduled to work less than 30 hours per week.

1.4 The term "full-time employees" as used in the Agreement means employees who are regularly scheduled 30 hours or more per week.

## ARTICLE 2 MANAGEMENT RIGHTS

2.1 The Union recognizes that it is the function and right of the management to exercise its own judgment and discretion in developing processes which meet the standards of Government requirements and customer acceptance, to meet competition, in order that its business and jobs and wages be protected. To attain these benefits the Union recognizes as included in, but not limited to, the following rights and duties of management:

2.2 Said rights include, but are not limited to the right to employ, assign, transfer, promote, reclassify, layoff, discipline for just cause, and discharge employees for just cause; to determine staffing levels, employee's duties, and the number of hours to be worked; including the quality and quantity of output and the work methods for achieving the same; to establish standards of performance and to maintain the efficiency of employees; to create, modify, combine, departments and facilities in whole or in part; to determine work schedules, starting and stopping times, and overtime; to promulgate and enforce reasonable work rules, policies and standards. The foregoing enumeration of the Company's rights shall not be deemed to exclude other preexisting rights which do no conflict with the provisions of the Agreement.

2.3 This Agreement shall be applied fairly and shall not in any way be used to discriminate against employees on account of race, color, religious affiliation, sex, age, national origin, veteran or disability status. It is understood that wherever in this Agreement employees or jobs are referred to in the male or female gender; it shall be recognized as referring to both male and female employees. The Company agrees not to interfere with the rights of its employees to become members of the Union, and there shall be no discrimination, interference, restraint, or coercion, by the Company or any of its agents against any employee because of Union membership or because of acting as an officer of or in any other bona fide activity on behalf of the Union.

## ARTICLE 3 DUES CHECK OFF

3.1 The Company agrees to a check off of Union dues, initiation fees and assessments for all employees covered by this agreement, provided that the Union delivers to the Company a written authorization to make such deductions, signed by the employee, irrevocable for one year or the expiration date of this agreement, whichever shall occur sooner. The Company shall make deductions for each member from the first pay period of such member each month. The Company shall promptly disburse to the Union Secretary-Treasurer of District 171 the amount deducted not later than the 15<sup>th</sup> of that month.

3.2 Nothing contained in this Article shall be construed to require the Company to violate any applicable law.

3.3 The Union agrees to and does hereby hold and save the Companies harmless from any and all liability, responsibility, or damage for deduction, payment authorization, or notification as provided for in this Article, specifically including, but not limited to, the Companies' agreement to deduct dues, initiation fees and reinstatement fees from the employee's paycheck and the Unions assumes full responsibility for the disposition of the funds so deducted when turned over to the Secretary-Treasurer of the Union.

## ARTICLE 4 SENIORITY

4.1 The term "seniority" is defined as including the whole span of continuous service with the present contractor, or successor, and with predecessor contractors, in the performance of similar work at the same facility. An employee who is transferred into the bargaining unit from another Company site shall establish a new seniority date which is the date the transfer is effective. Employees transferring in from another Company site shall retain their original benefit date.

4.2 Probationary Period: Any employee who has been in the employment of the Company for ninety (90) consecutive calendar days shall be considered a Seniority Employee of the Company. During the probationary period the employee shall be subject to layoff, discipline, or discharge at the sole discretion of the Company, and such action shall not be subject to the grievance procedure.

4.3 Seniority will not be broken for: (1) periods of approved leave of absence, (2) periods of layoff due to lack of work, (3) periods of absence due to injury or illness. Periods of absence set forth in (1), (2) and (3) shall not exceed 18 months. In the case of occupational injuries, continuous employment will be for the length of the disability as provided under the law.

4.4 When two or more employees are hired on the same day, the last four digits of their Social Security number shall then be used for purposes of layoff, recall and promotion; i.e., if two employees have the same seniority date, the employee that has the lowest number shall be considered to be the most senior of the employees hired on the same day.

4.5 Loss of Seniority: All seniority of any employee shall terminate if the employee:

- Voluntary resignation,
- Discharge for Just Cause,
- Failure to be Recalled From Layoff within eighteen (18) Months of Such Layoff, the employee must respond within five (5) days of receipt of a "Certified Letter" of recall,
- If an employee is in layoff status because of a revoked security clearance and has not been legally reinstated within 18 months,
- Unexcused Absence From Work for a Period of Three (3) Consecutive Workdays,
- Transfer to a position outside the Bargaining Unit.

4.6 Seniority List: A seniority list will be maintained by the Company and will be made available to the Union semiannually. The Company will also furnish a list to the Union reflecting new-hires or rehires, their classification, their date of hire, and termination or layoff dates.

4.7 When a job classification becomes vacant and is needed to be filled, it will be posted for three (3) working days. Any employee may sign the job posting notice before the close of the posting period. The job will be filled by the senior "qualified" bidder. "Qualified" and "qualified to perform the work" as used in this agreement shall mean possession of the required experience, required training, and the ability to perform satisfactorily the required duties of the job and to meet standards of quality and quantity without the need of extensive training. The successful bidder shall be assigned to their new job within (10) ten working days after the job award at the appropriate rate of pay. The successful bidder may be returned to their former job classification, if within fifteen (15) working days after beginning the new job classification he/she fails to perform the work satisfactorily. The employee

shall also have the right to return to his former job classification anytime within fifteen (15) working days after beginning his new job.

4.8 In the event of a reduction in force, the Company shall designate the number of positions to be reduced in each affected job classification. The least senior employee(s) in the affected job classifications will be designated for layoff. Qualified employees will be given an opportunity to bump a less senior employee in their job skill category and will receive the pay of that classification. Recall shall be accomplished in inverse seniority order within the classification, with the most senior employee on layoff being recalled first to his classification. The Company will provide a minimum of two (2) weeks notice of any anticipated reduction in force, except where circumstances beyond the Company's control prevent such timely notification.

## **ARTICLE 5**

### **HOURS OF WORK**

5.1 The purpose of this Article is to define the normal hours of work but nothing in this Agreement shall be construed as a guarantee of hours of work or pay for any period.

5.2 The workday shall consist of eight (8) consecutive hours or more beginning with the time the employee is normally scheduled to start work. Consecutive hours of work shall mean consecutive hours of work except for unpaid meal periods. The workweek shall consist of seven (7) consecutive twenty-four (24) hour periods beginning with the start of the work schedule. The pay week shall begin on Saturday at 0001 hours and conclude on Friday at 2400 hours.

5.3 Determination of starting time and hours of work shall be made by the Company and such schedules may be changed from time to time to suit varying conditions of business.

5.4 Employees will be allowed one (1) scheduled fifteen (15) minute rest period before lunch and one (1) fifteen (15) minute rest period after lunch in each workday. Said rest periods are to be taken when work permits. Employees scheduled to work two (2) or more hours of overtime shall be entitled to a fifteen (15) minute rest period at the beginning of the overtime period, and each full two hours of scheduled overtime thereafter. Employees shall work up to the start of the rest period and be at their place of work at the end of the rest period.

5.5 An employee who is scheduled and reports for work at the scheduled time without an attempt ~~by the Company to notify them not to so report~~, shall be given four (4) hours work of any type which is available, or if no such work is available, he shall be given four (4) hours pay at the applicable rate; provided, however, that if work is not available as a result of circumstances beyond the control of the management, the Company shall not be so obligated.

5.6 An employee who is called and reports back for work after he has completed his regularly assigned shift and departed from the premises shall receive a minimum of four (4) hours work or four (4) hours pay at the applicable rate.

5.7 When an employee is not scheduled, and is called and reports for work, outside his scheduled workweek, he shall receive a minimum of four (4) hours work or four (4) hours pay at the applicable rate unless the employee opts to leave when the work is completed.

## ARTICLE 6 OVERTIME

6.1 The provisions of this Article are intended to provide the basis for calculation and payment of premium pay and shall not be construed as a guarantee of any specific overtime hours.

6.2 It is understood and agreed that the Company reserves the right to require covered employees to perform overtime work in order to meet customer needs. When such overtime is required, employees involved shall be given as much notice as possible. Overtime opportunities shall be evenly distributed within the classification. The Company may require the least senior qualified employee(s) to work overtime should a sufficient qualified workforce not otherwise be available.

6.3 Overtime will be paid at one and one-half (1½) times the regular rate of pay for all authorized hours worked in excess of forty (40) hours in the employee's normal workweek. All authorized hours worked or in pay status shall be used in the computation of overtime pay.

6.4 No overtime shall be worked except by specific direction from management.

6.5 There shall be no pyramiding of Overtime.

## ARTICLE 7 HOLIDAYS

7.1 Holidays: The following ten (10) observed Federal holidays shall be designated holidays for each calendar year.

New Years Day  
Martin Luther King Day  
Presidents' Day  
Memorial Day  
Independence Day  
Labor Day  
Columbus Day  
Veterans' Day  
Thanksgiving Day  
Christmas Day

7.1(a) Whenever one of the above holidays falls on Sunday, the Monday immediately following shall be observed, if officially declared the holiday and generally observed by the FAA at the FAA Logistic Center. Whenever one of the above holidays falls on Saturday, the Friday immediately preceding shall be observed, if officially declared the holiday and generally observed by the FAA at the FAA Logistic Center. Said holiday falling on Saturday or Sunday, and observed on the preceding Friday or following Monday, shall be considered the regular holiday.

7.1(b) Holiday pay shall be at full pay (up to eight (8) hours at straight time) including any applicable shift, bonuses and lead differential.

7.1(c) In case the Company requires an employee to work on a designated holiday, the employee will receive the applicable holiday pay and, in addition, the work performed by such employee shall be paid for at one and one half times their regular straight time rate.

**ARTICLE 8**  
**GRIEVANCE / ARBITRATION PROCEDURE**

8.1 The term "grievance" as used in this agreement means any dispute arising regarding the interpretation, application, claim of breach or violation of this agreement which an employee has not been able to adjust with their immediate supervisor with or without his/her steward, which shall be at the employee's discretion. Both parties agree to use their best efforts, including informal meetings involving management, supervision, shop steward, and the grievant, to resolve matters without resorting to the grievance procedure except that any such meetings shall not extend the time limits set forth in this Article. Such grievance shall be handled as promptly as possible in accordance with the following procedure:

8.2 All grievances beyond Step 1 involving employee claims shall be in writing and shall be signed by all employees claiming rights there under. Such grievances must state the facts, identify the appropriate article, and state the remedy requested. In an effort to adjust employee grievances by mutual agreement, they shall be presented in the following order and within the following time limits:

Step 1: The employee(s), with or without their steward, shall promptly bring a grievance to the Site Manager within five (5) working days following the event or discovery of the event giving rise to the grievance. In the event an employee is unavoidably absent due to illness or injury, or unavailable due to vacation or other approved reasons, the employee's shop steward may bring the grievance to the site manager. If such grievance is not settled within five (5) working days then:

Step 2: Within ten (10) working days following the event or discovery of the event giving rise to the grievance a written grievance containing the article or section which is claimed to be violated and the remedy requested must be signed by the employee and submitted by the Shop Steward and taken up with the Program Manager or his designee. A meeting will be scheduled within five (5) subsequent working days. If no agreement has been reached within ten (10) working days, the Company will reply in writing. If the written reply is not satisfactory, it may be moved to Step 3.

Step 3: Within five (5) working days of the Step 2 reply, the grievance may be moved to Step 3 by written appeal to the Company Labor Relations Representative. The RTSC Director of Labor Relations or designee and the Business Representative of the Union, shall meet either in person or by telephone within fifteen (15) working days after receipt of the grievance into a third step. A written reply from the RTSC Director of Labor Relations will be given to the Union within fifteen (15) working days after the meeting. If no agreement has been reached within thirty (30) working days from the Step 3 meeting, either party may submit the grievance or dispute to arbitration as covered in the "Arbitration Procedure" article.

8.3 Any aggrieved employee and their Union representative shall have the right to be present at any stage of the grievance procedure in which the grievance is being considered. No employee may leave the job, take up, or settle a grievance without requesting permission from the immediate supervisor. Such permission will be granted provided it does not retard or interfere with operations, customer commitments or create a hazardous condition. If permission cannot be granted, time limits will be waived until permission is granted. Witnesses called by either party may attend the grievance meeting at any step, subject to the same provisions outlined above.



8.4 The company will grant the Union reasonable and relevant requests to examine time sheets and other records pertaining to the computation of compensation of any individual or individuals whose pay is in dispute or other relevant records pertaining to a specific grievance. Compensation will be paid for reasonable time spent discussing or investigating grievances during normal work schedules.

8.5 It is understood that the time limits specified herein may be extended by mutual agreement of the parties hereto.

8.6 Nothing in this Agreement precludes the Union Shop Steward or Business Representative from filing a grievance on behalf of an employee in the event of unusual or unforeseen circumstances.

8.7 A final decision made with respect to any grievances in first or second step shall apply to that grievance only and shall not become a binding precedent in the case of other grievances, nor a precedent which shall bind the parties as an interpretation of the agreement. All settlements must be consistent with the terms and conditions of this Agreement.

8.8 The party choosing to arbitrate shall give written notice to the other party setting forth the matter to be arbitrated. If said notice is not served within the thirty (30) working day period specified in Step 3 of the "Grievance Procedure" Article, it shall be deemed that the grievance has been satisfactorily adjusted and the right to arbitrate waived.

8.9 The party desiring arbitration shall notify the other party in writing within the aforementioned thirty (30) day period, and shall request a panel of seven (7) arbitrators from the Federal Mediation and Conciliation Service. Such request shall be made within thirty (30) working days of the notice to the other party. The parties shall meet after receipt of such list and be entitled to alternately strike a name from the list until one name remains and this person shall be the arbitrator.

The parties agree that the decision or award of such arbitrator shall be final and binding on each of the parties and that they will abide thereby. The authority of the Arbitrator shall be limited to determining questions involving the interpretation or application of specific provisions of this Agreement. The Arbitrator shall have no authority to add to, subtract from, or to change any of the terms of this Agreement, to change an existing salary rate or to establish a new salary rate. In no event shall the same question or issue be the subject of arbitration more than once. Each party shall bear the expenses of preparing and presenting its own case. The cost of the arbitrator and incidental expenses mutually agreed to in advance shall be borne equally by both parties.

8.10 The Company agrees that the Business Representative or acting business representative will be allowed to visit employees while they are on the job in the Company's operations for the sole purpose of investigating specific grievances or complaints related to the provisions of this Agreement, subject to the customer's rules and regulations regarding site access. Prior approval must be obtained from the Manager of Labor Relations or his designee and such visits shall not interfere with any work being performed. The Business Representative shall notify the Program Manager or his designee when he is leaving the Company's operations. The Company, if it desires, may have a Company representative accompany the Business Representative or his designee while he is visiting its operations.

**ARTICLE 9**  
**STRIKES, LOCKOUTS AND WORK STOPPAGES**

9.1 The Union agrees that neither it nor any of the employees in the bargaining unit covered by this Agreement will collectively, concertedly, or individually engage in or participate directly or indirectly in any strike, slowdown or stoppage of work during the term of the Agreement and the Company agrees that during the term of this Agreement it will not lock out any of the employees covered by the Agreement.

9.2 In the event of any violation of 9.1 of this Article, it shall be the duty and obligation of the Union, its officers, agents, or representatives (employee or non-employee) to immediately take all reasonable steps required to bring an end to such misconduct.

**ARTICLE 10**  
**LEAVE OF ABSENCE**

10.1 Employees elected or selected to full time jobs in the Local Union or the International Union, which takes them from their employment with the Company, shall upon written request to the Company receive a leave of absence, without pay, for a period equal to their tenure of employment with the Union.

10.2 Upon completion of their leave (under paragraph 10.1) of absence during the existence of this agreement, they shall be re-employed according to their seniority in work generally similar to that which they did last, prior to leaving, at the wage rates existing at the time of their return, provided such work is available for them according to their seniority, and they are qualified to perform such work. Seniority shall accumulate during such leaves of absence.

10.3 Leaves of absence without pay for Official Union Business will be granted by the Company on three (3) days written request of the Union provided the absence does not adversely impact contract performance. Employees on Union LOA at any one time will not exceed five (5) days. It is the intention of the Union to honor and respect the requirements of production in requests for leaves of absence for Union business. When permitted by mission requirements, the Company will consider waiver of the three (3) day notice when requests are of an emergency nature. Seniority will accumulate during such leaves of absence.

~~10.4~~ 10.4 Leaves of absence for sickness, accident or pregnancy will be granted employees for a period not exceeding thirty (30) days, provided the employee furnishes satisfactory proof of such disability prior to granting such leave. If the disability for such sickness, accident or pregnancy continues beyond the thirty (30) days, the leave of absence shall be extended, provided the employee furnishes the Company with a report from a reputable physician stating the necessity for such extension, but the leave, whether paid or unpaid, cannot exceed a total of eighteen (18) consecutive months. Leave of absence for sickness, accident or pregnancy without pay will not be approved until after the employee has taken all available sick leave. Seniority will accumulate during such leaves of absence.

10.5 Personal Leave. After an employee has exhausted their paid leave, the Company may approve a leave of absence for relatively short periods without pay or benefits up to thirty (30) calendar days for personal reasons. Such leave must be requested in writing and approved by the Program Manager or designee through the employee's supervisor. Said request must also state the reason for the unpaid leave. Employees must request such leave at least ten (10) calendar days prior to the date the leave

would commence, except in cases of emergency. It is understood that while an employee is on a leave without pay status there is no eligibility for other benefits.

10.6 Employees away from their jobs because of a compensable injury or compensable disease as defined by the Workers' Compensation Act of Oklahoma will be given leave of absence and shall accrue seniority while on such leave.

10.7 Any leave of absence obtained through false pretense shall be invalid and the employee's absence shall be recorded as unauthorized and such disciplinary action shall be taken as the Company believes warranted.

10.8 Should a serious injury, illness or pregnancy require absence from work for treatment and convalescence, a certificate of fitness from a reputable physician must be furnished to the Company prior to return to work. The Company may require a physical examination, by a reputable physician, of an employee upon the expiration of the employee's leave of absence granted for illness, accident or pregnancy to determine the employee's fitness to return to the job. "Fitness to return to the job" shall mean that the individual is capable of performing essential elements of the job, with or without reasonable accommodation.

10.10 Military leave shall be in accordance with Company policy 32-4502-110.

10.11 An employee with the Company shall be given up to three (3) paid workdays off to attend the funeral of his immediate family. "Immediate family" shall be considered as follows:

Spouse, parent, parent of spouse, legal guardian, child, brother, sister, stepparent, stepparent of spouse, stepchild, stepbrother, stepsister, grandchild, grandparent, and grandparent of spouse. Employee may be required to provide proof of claim.

10.12 Upon returning from an approved leave of absence under Article 10 of the Agreement (exclusive of Para. 10.1, 10.2); an employee shall return to their same classification, section, shift, and starting time held prior to such leave of absence, as Seniority permits.

## **ARTICLE 11**

### **VACATION – SICK LEAVE**

~~11.1 Allowances.~~ The vacation year for eligibility and service credit shall be from employee's anniversary date to the employees next anniversary date. Paid vacation will be awarded as follows:

- a) An employee with one (1) year of service, but less than ten (10) years of service will be awarded up to 10 days (2 weeks) vacation annually.
- b) An employee with ten (10) years of service, but less than fifteen (15) years of service will be awarded up to fifteen (15) days (3 weeks) of vacation annually.
- c) An employee with fifteen (15) or more years of service will be awarded up to twenty (20) days (4 weeks) of vacation annually.
- d) Unused vacation for the year will be paid out at the employee's current rate of pay before the next annual award is received.
- e) Pay in advance will not be provided for vacation periods.
- f) Employees leaving the Company will be paid for all unused vacation upon termination.

11.2 Scheduling. Prior approval must be given for all vacation requests. Vacation requests for two (2) consecutive days or more must be made in writing to their supervisor seven (7) calendar days prior to the vacation start date. The Company reserves the right to approve or deny vacation requests based on business operations. Vacation requests will be approved based on seniority. Vacation may be used in one (1) hour increments.

11.3 Sick Leave. Employees will be provided five (5) days of sick leave per year beginning January 1 of the specific year through December 31 of the same year. The use of sick leave is provided to cover paid time away from work in the event that an employee is unable to work. Advance notice of known sick or personal leave will be given to the employees' Supervisor.

- a) All employees who are unable to report for work because of illness or injury must notify their immediate supervisor prior to the scheduled start of the employee's shift.
- b) Payment of unused sick leave is not allowed.
- c) It is understood that employees may use sick time as personal time.

## **ARTICLE 12**

### **JURY PAY**

12.1 Employees summoned to serve on jury duty will be granted time off not to exceed the limits of the prevailing State law or up to ten (10) days of service, whichever is greater. The Company shall compensate the employee for each regular workday so spent, as specified by the governing statute regarding jury duty. If no compensation provision is specified by statute, the employee will receive the difference between gross fees received and the employee's regular earnings that would have been paid for each day of service. Notice of jury duty must be given to the Company upon receipt of a jury summons, and proof of such service must be submitted to the satisfaction of the Company before this Article shall apply.

## **ARTICLE 13**

### **SAFETY AND HEALTH**

13.1 Health and Safety. The company will make reasonable provisions for the safety and health of employees. The Union shall have the right to confer with the company on matters pertaining to safety of the employees. A safety committee composed of two (2) employees, appointed by the Union and up to a like number appointed by the company will be formed to consider matters relative to these issues. The safety committee shall meet as agreed to by the parties, to conduct investigations and advise management.

The duties of the joint safety committee will be to advise on matters pertaining to company compliance with applicable laws and regulations, and make appropriate recommendations for the maintenance of proper standards. The principal duty of the joint safety committee will be to assure uniform application of such regulations and standards.

13.2 Personal Protective Equipment (PPE). Safety devices and all Personal Protective Equipment shall be furnished at no cost to the employee if required by the Company or law. The Company will annually issue a voucher for the cost of safety shoes/boots not to exceed \$100.00 annually effective 1 October, 2005.

**ARTICLE 14**  
**WAIVERS**

14.1 The waiver of any breach or condition of this agreement by either party shall not constitute a precedent for any further waiver of such breach or condition.

**ARTICLE 15**  
**BULLETIN BOARDS**

15.1 The Company agrees to provide a reasonable number of bulletin boards for the posting of legitimate Union notices pertinent to the Union at the facility. Only notices concerning Union meetings, Union elections, results of Union elections, etc., will be posted. The Union's Assistant Business Representative or his designee shall sign all such notices.

**ARTICLE 16**  
**HEALTH & WELFARE BENEFITS**

16.1 All employees may participate in Raytheon Technical Services Company, LLC Healthcare and Benefit Plans. Effective, the first pay period after October 1, 2005, the Company will provide each covered full-time employee with the amount of the Health and Welfare Benefit Credits specified below. Employees may use their health and welfare benefit credits toward payment of chosen plan coverage for themselves and eligible dependents. Any additional costs will be the responsibility of the employee.

**Health and Welfare Benefits Credit**

<u>Effective</u>	<u>10/08/05</u>	<u>10/07/06</u>
Cents per hour	\$2.90	\$3.05

Bi-weekly payment is based on all hours in pay status, up to 40 hours per week.

16.2 For an employee on an authorized medical leave of absence, medical coverage for the employee and their dependents will continue for up to 24 months. During the first 12 months of leave, the coverage will be continued on a company-paid basis. If an employee's leave continues beyond this 12-month period, they may continue their coverage, provided they pay the amount in effect at the time directly to Raytheon. The employee will be billed for their share of the cost.

After an employee has been on a medical leave of absence for 24 months, their employment will be administratively terminated and they may extend their coverage under COBRA regulations. The employee will receive a letter explaining the options and the steps needed to ensure their coverage continues uninterrupted.

16.3 The elected Business Representative of the Local Union, if an active Company employee at the time of election, may keep the insurance in force for a period equal to their tenure of employment with the Union by paying 100% of the full monthly premiums. In the event that Raytheon Technical Services Company, LLC is no longer the employer of record our obligation under this provision would end when they are no longer the contract of record.

**ARTICLE 17**  
**GENERAL**

17.1 Supervisory employees in job classifications not covered by this Agreement shall not routinely perform work normally performed by employees in the bargaining unit, except in cases of emergency, research work, audit, experimental, or work of a special mechanical nature, or to instruct employees properly. The term "Emergency" is defined to mean an unforeseen combination of circumstances, which call for immediate action.

17.2 Employees will receive their bi-weekly paycheck or direct deposit on Company time every other week.

17.3 The Company will make a copy of this agreement available within 60 days after execution of signatures, and a copy of the health care plan will be provided in writing or electronically within 120 days, to all employees, including new hires, after the agreement is signed.

17.4 An employee injured on the job, who is taken off the job for treatment will receive pay for the remainder of his/her scheduled work day. Emergency transportation will be provided in the event the nature of the injury warrants.

17.5 Employees entitled to free physical examinations will receive the examinations during their normal duty hours without loss of pay.

17.6 Employees shall dress, and maintain a personal appearance and hygiene consistent with their position and job description. Union apparel furnished by the Union and approved by the Company is acceptable. Union apparel worn must meet applicable safety requirements.

17.7 Employees who work in areas and/or assignments where they are required to wear a respirator will meet the face piece-to-face seal standards.

17.8 All employees assigned to clean the Paint Booth(s) will receive Haz-mat and other appropriate training prior to the assignment.

17.9 All employees assigned to the Paint Shop shall receive Baseline Medical Examination and will be furnished a complete and comprehensive copy of the results upon request pursuant to their rights under OSHA, HIPAA and any other federal and state laws.

**ARTICLE 18**  
**UNION REPRESENTATION**

18.1 The Company agrees to two (2) Shop Stewards. Compensation will be paid for reasonable time spent discussing or investigating grievances during normal work schedules, barring special circumstances in no event will the cumulative time paid by the Company for Union Business exceed four (4) hours per week. Under special circumstances additional time may be granted by mutual consent of the Business Representative and the Director of Labor Relations.

18.2 Within fifteen (15) days after the effective date of this agreement the Union shall furnish to the Human Resources Manager a written list containing the names of the Union's Secretary Treasurer and Shop Stewards. Thereafter the Union shall notify the Human Resources Manager or his/her designee promptly in writing of any changes. The Company shall not be obligated to recognize or deal with any

person acting as Secretary Treasurer or Shop Steward until the Company receives written notification from the Union that such person has been so elected. All such notifications shall be on the official stationery of the Union. After notification is given as herein provided, the Company shall give immediate recognition.

## **ARTICLE 19**

### **WAGES**

19.1 The following wage rates will apply during the term of this agreement.

Classification	Current Rate	8 Oct 05 3.0%	7 Oct 06 2.5%
Sr. Test Equipment Tech	\$25.36	\$26.12	\$26.77
Test Equipment Tech	\$22.61	\$23.29	\$23.87
Electrostatic Spray Painter	\$14.86	\$15.61	\$16.00
General Maintenance Worker	\$14.08	\$14.81	\$15.18
Fiberglass Fabricator	\$17.99	\$18.53	\$18.99
Woodcraft Worker	\$16.94	\$17.45	\$17.88

19.2 Temporary transfer may be made without change in job classification or base rate of pay and for a maximum of ten (10) consecutive work days unless extended by mutual agreement of the Company and the Union.

19.3 If an employee is temporarily assigned to a "Lead" position for four (4) hours or longer, the employee shall receive "Lead" pay.

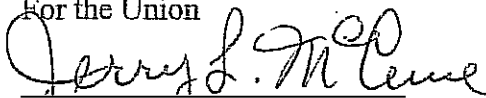
19.4 When the employee is assigned to a higher classification he shall receive the higher rate of pay.


19.5 Employees designated as "Lead" in any classification will be paid fifty-cents (\$0.50) per hour above the wage rate for that classification.

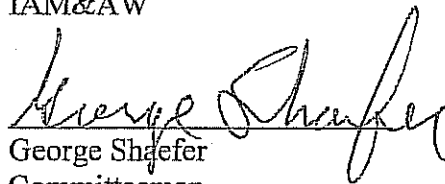
**ARTICLE 20**  
**DURATION**

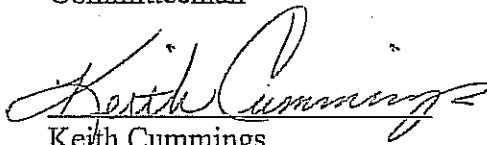
20.1 This agreement shall be effective from August 26, 2005 through 25, August, 2007 and shall automatically renew itself from year to year thereafter unless written notice of desire to terminate is given by either party to the other at least 60 days prior to 25 August, 2007, or at least 60 days prior to any annual expiration date thereafter, in which event it shall terminate at midnight on August 25, 2007, or on midnight of such annual expiration date.

For the Union


  
Jerry L. McGune  
District Lodge 171  
IAM&AW

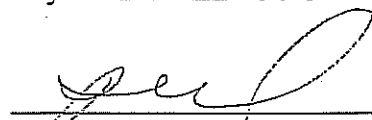
  
Tony L. Bennett  
District Lodge 171  
IAM&AW

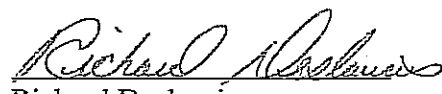
  
George Shaefer  
Committeeman

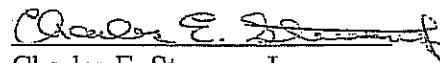
  
Keith Cummings  
Committeeman

For the Company

  
Arthur R. Osborn  
Director, Labor Relations  
Raytheon Technical Services Company, LLC

  
Patricia E. Dantzler  
Manager, Human Resources

  
Richard Deslauriers  
Technical Manager, Metrology Operations

  
Charles E. Stevens, Jr.  
Project Manager, RTSC-FAA



## Letter of Agreement #1

### MACHINISTS NON-PARTISAN POLITICAL LEAGUE CHECK-OFF

A. **Payroll Deductions:** During the existence of this Agreement, the Company, insofar as permitted by state or federal law, shall deduct out of current net earnings from the second check each month voluntary contribution to the Machinists Non-Partisan Political League upon receipt of and in accordance with a deduction authorization form, duly executed by the employee, and shall continue deductions until such authorization is revoked by the employee. The deduction will be in whole dollar amounts. The deduction may be canceled or modified by the employee at any time, provided that, if it is canceled or modified, it cannot be reinstated or modified again for six (6) months.

B. **Indemnification of Company:** The Union agrees to and does hereby hold and save the Company harmless from any and all liability, responsibility, or damage for deduction, payment authorization, or notification as provided for in this Article, specifically including, but not limited to, the Company's agreement to honor the check-off authorization form by which employees authorized Raytheon Technical Services, LLC to deduct contributions from the employee's paycheck, and the Union assumes full responsibility for the disposition of the funds so deducted when turned over to the Treasurer of the Machinists Non-Partisan Political League.

C. **When Deducted:** Deduction from money due the employee pursuant to this Article shall be made from the net earnings due the employee payable on the second regular payday in each month, provided the Company has received such authorization from the employee by the 25<sup>th</sup> day of the preceding month in which such deductions are made. There shall be only one (1) remittance per month by the Company. (If an employee does not have sufficient earnings in the payroll period to cover such contributions, the Company shall have no further responsibility for collection of contributions for that particular month.)

D. **When Remitted:** Deductions shall be remitted to the Treasurer of the Machinists Non-Partisan Political League as soon as reasonably possible after the end of each month in which deductions are made. The Company shall furnish to the Treasurer of the Machinists Non-Partisan Political League at the same time, a list showing those members for whom deductions have been made and the amount thereof.

**Letter of Agreement #2**

**RAYTHEON SAVINGS AND INVESTMENT PLAN (401k)**

The Company will offer the Employees the Raytheon Technical Services Company Savings and Investment plan on an employee voluntary contribution basis. The Company retains the right to change, amend, modify, change administrators, or terminate the Plan as the Company at its sole discretion may determine. If the Company plans such actions, they will promptly notify the Union of such actions and meet with the Union to discuss changes. The Savings Plan allows for employees contributions in accordance with IRS regulations. This would be accomplished through payroll deduction.

It is further understood and agreed that this will be effective for the duration of the current Collective Bargaining Agreement between the parties unless terminated by mutual agreement of the parties.